



541 Washington Avenue
Yuba City, CA 95991
(530) 634-7659
FAX (530) 634-7660
www.fraqmd.org

Christopher D. Brown, AICP
Air Pollution Control Officer

Serving Sutter and Yuba Counties

October 23, 2018

Carol Sutkus
California Air Resources Board, AQPSD/AQPB
PO Box 2815
Sacramento, CA 95812
Carol.Sutkus@arb.ca.gov

Re: State Implementation Plan Revision for a Negative Declaration for the Control Techniques Guidelines for the Oil and Natural Gas Industry

Dear Carol Sutkus,

The Feather River Air Quality Management District is submitting the enclosed Negative Declaration for the Control Techniques Guidelines for the Oil and Natural Gas Industries. Please submit the Negative Declaration and supporting documentation to the U.S. Environmental Protection Agency as a revision to the State Implementation Plan (SIP).

The Clean Air Action section 182(b)(2)(A) requires districts to revise their SIPs to include Reasonably Available Control Technology (RACT) for sources of VOC emissions for each category of VOC sources covered by a CTG. This Negative Declaration is being submitted in lieu of a RACT rule.

If you have any questions about the submittal, please Sondra Spaethe, Air Quality Planner, at (530) 634-7659 or sspaethe@fraqmd.org.

Regards,

A handwritten signature in black ink, appearing to be "C. Brown", written over a horizontal line.

Christopher D. Brown, AICP
Air Pollution Control Officer
Feather River Air Quality Management District

Enclosures:

1. SIP Checklist
2. Negative Declaration Staff Report
3. Board Resolution
4. Rule Evaluation Form
5. Public Notice

Cc: Stephanie Parent stephanie.parent@arb.ca.gov; Ariel Fideldy afideldy@arb.ca.gov

CALIFORNIA AIR RESOURCES BOARD

SIP COMPLETENESS CHECKLIST
(Electronic Format)

*** TO BE COMPLETED BY DISTRICT AND RETURNED TO ARB ***

All rules submitted to the EPA as State Implementation Plan (SIP) revisions must be supported by certain information and documentation for the rule packages to be deemed complete for review by the EPA. Rules will not be evaluated for approvability by the EPA unless the submittal packages are complete. To assist you in determining that all necessary materials are included in rules packages sent to the ARB for submittal to the EPA, please fill out the following form and include it with the rule package you send ARB. See the ARB's Guidelines on the Implementation of the 40 CFR 51, Appendix V, for a more detailed explanation than is provided here. Adopted rules and rule amendments should be checked against U.S. EPA's Guidance Document for Correcting Common VOC & Other Rule Deficiencies (Little Blue Book, August 21, 2001) to ensure that they contain no elements which will result in disapproval by EPA.

District: Feather River Air Quality Management District

Rule No: N/A

Rule Title: Negative Declaration for Control Techniques Guidelines for the Oil and Natural Gas Industry

Date Adopted or Amended: August 6, 2018

ADMINISTRATIVE MATERIALS

Note: All documents should be in electronic format. Items that have signatures, initials, or stamps may be scanned.

<u>Attached</u>	<u>Not Attached</u>	<u>N/A</u>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>COMPLETE COPY OF THE RULE:</u> Provide an unmarked copy of the entire rule as adopted or amended by your District Board.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>UNDERLINE AND STRIKEOUT COPY OF THE RULE:</u> If an amended rule, provide a complete copy of the rule indicating in underline and strikeout format all language which has been added, deleted, or changed since the rule was last adopted or amended.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>COMPLETE COPY OF THE REFERENCED RULE(S):</u> For any rule which includes language specifically referencing another rule, a copy of that other rule must also be submitted, unless it has already been submitted to EPA as part of a previous SIP submittal.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>PUBLIC NOTICE EVIDENCE:</u> Include a copy of the local newspaper clipping certification(s), stating the date of publication, which must be at least 30 days before the hearing. As an alternative, include a copy of the actual published notice of the public hearing as it appeared in the local newspaper(s). In this case, however, enough of the newspaper page must be included to show the date of publication. The notice must specifically identify by title and number each rule adopted or amended.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>RESOLUTION/MINUTE ORDER:</u> Provide the Board Clerk certified resolution or minute order. This document must include certification that the hearing was held in accordance with the information in the public notice. It must also list the rules that were adopted or amended, the date of the public hearing, and a statement of compliance with California Health and Safety Code Sections 40725-40728 (Administrative Procedures Act).
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>PUBLIC COMMENTS AND RESPONSES:</u> Submit copies of written public comments made during the notice period and at the public hearing. Also submit any written responses prepared by the District staff or presented to the District Board at the public hearing. A summary of the public comments and responses is adequate. If there were no comments made during the notice period or at the hearing, please indicate N/A to the left.

CALIFORNIA AIR RESOURCES BOARD

SIP COMPLETENESS CHECKLIST
(Electronic Format)

TECHNICAL MATERIALS

<u>Attached</u>	<u>Not Attached</u>	<u>N/A</u>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>RULE EVALUATION FORM:</u> See instructions for completing the Rule Evaluation Form and the accompanying sample form.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>NON-EPA TEST METHODS:</u> Attach all test methods that are referenced in your rule that do not appear in 40 CFR 51, 60, 61, 63, or have not been previously submitted to EPA. EPA methods used in other media such as SW846 for solid waste are not automatically approved for air pollution applications. Submittal of test methods that are not EPA-approved should include the information and follow the procedure described in Region 9's "Test Method Review & Evaluation Process."
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>MODELING SUPPORT:</u> Provide if appropriate. In general, modeling support is not required for VOC and NOx rules to determine their impacts on ozone levels. Modeling is required where a rule is a relaxation that affects large sources (≥ 100 TPY) in an attainment area for SO ₂ , directly emitted PM ₁₀ , CO, or NO _x (for NO ₂ purposes). In cases where EPA is concerned with the impact on air quality of rule revisions which relax limits or cause a shift in emission patterns in a nonattainment area, a reference back to the approved SIP will be sufficient provided the approved SIP accounts for the relaxation and provided the approved SIP used the current EPA modeling guidelines. If current EPA modeling guidelines were not used, then new modeling may be required.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>ECONOMIC AND TECHNICAL JUSTIFICATION FOR DEVIATIONS FROM EPA POLICIES:</u> The District staff report or other information included with the submittal should discuss all potential relaxations or deviations from RACT, RACM, BACT, BACM, enforceability, attainment, RFP, or other relevant EPA requirements. This includes, for example, demonstrating that exemptions or emission limits less stringent than the presumptive RACT (e.g., a CTG) meet EPA's 5 percent policy, and demonstrating that all source categories exempted from a RACM/BACM rule are de minimus according to EPA's RACM/BACM policy.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>ADDITIONAL MATERIALS:</u> Provide District staff reports and any other supporting information concerning development of the rule or rule changes. This information should explain the basis for all limits and thresholds contained in the rule.

APCD/AQMD RULE EVALUATION FORM -- Page 1
(Electronic Format)

I. GENERAL INFORMATIONDistrict: Feather River Air Quality Management DistrictRule No(s): N/A Date adopted/Amended/Rescinded: August 6, 2018Rule Title(s): Negative Declaration for Control Techniques Guidelines for the Oil and Natural Gas IndustryDate Submitted to ARB: October 25, 2018If an Amended Rule, Date Last Amended (or Adopted): N/AIs the Rule Intended to be Sent to the U.S. EPA as a SIP Revision? ☒ Yes ☐ No (If No, do not complete remainder of form)District Contact: Sondra Spaethe Phone Number: 530-634-7659 x210 E-mail Address: sspaethe@fragmd.orgNarrative Summary of New Rule or Rule Changes: ☒ New Rule ☐ Amended Rule

Clean Air Act section 182(b)(2)(A) requires that the District adopt RACT for each source category covered by a Control Techniques Guidelines (CTG) document. The District has determined that there are no oil or natural gas operations in the nonattainment area to which the Oil and Natural Gas Industry CTG applies. Therefore the District has adopted a Negative Declaration for this CTG.

Pollutant(s) Regulated by the Rule (Check): ☒ ROG ☐ (NOx) ☐ SO2
☐ (CO) ☐ PM ☐ TAC (name): _____**II. EFFECT ON EMISSIONS**

Complete this section ONLY for rules that, when implemented, will result in quantifiable changes in emissions. Attach reference(s) for emission factor(s) and other information. Attach calculation sheet showing how the emission information provided below was determined.

Net Effect on Emissions: ☐ Increase ☐ Decrease ☒ N/AEmission Reduction Commitment in SIP for this Source Category: N/AInventory Year Used to Calculate Changes in Emissions: N/A Area Affected: South Sutter County

Future Year Control Profile Estimate (Provide information on as many years as possible):

N/A

APCD/AQMD RULE EVALUATION FORM -- Page 2
(Electronic Format)

Baseline Inventory in the SIP for the Control Measure: N/A

Emissions Reduction Commitment in the SIP for the Control Measure: N/A

Revised Baseline Inventory (if any): N/A

Revised Emission Reduction Estimate (if developed): N/A

Note that the district's input to the Rule Evaluation Form will not be used as input to the ARB's emission forecasting and planning.

III. SOURCES/ATTAINMENT STATUS

District is: ☐ Attainment ☐ Nonattainment ☒ Split

Approximate Total Number of Small (<100 TPY) Sources Affected by this Amendment: 0

Percent in Nonattainment Area: N/A%

Number of Large (≥ 100 TPY) Sources Controlled: 0 Percent in Nonattainment Area: N/A%

Name(s) and Location(s) (city and county) of Large (≥ 100 TPY) Sources Controlled by Rule (Attach additional sheets as necessary): N/A

IV. EMISSION REDUCTION TECHNOLOGY

Does the Rule Include Emission Limits that are Continuous? ☐ Yes ☒ No

If Yes, Those Limits are in Section(s) N/A of the Rule.

Other Methods in the Rule for Achieving Emission Reductions are: N/A

V. OTHER REQUIREMENTS

The Rule Contains:

Emission Limits in Section(s): N/A Work Practice Standards in Section(s): N/A

Recordkeeping Requirements in Section(s): N/A Reporting Requirements in Section(s): N/A

APCD/AQMD RULE EVALUATION FORM -- Page 3
(Electronic Format)

VI. IMPACT ON AIR QUALITY PLAN

☒ No Impact ☐ Impacts RFP ☐ Impacts attainment

Discussion: This is a Negative Declaration stating that there are no oil and natural gas operations occurring in the south Sutter County portion of the Sacramento Federal Nonattainment Area for ozone. There is no impact on emissions.

**RESOLUTION #2018-07 OF THE BOARD OF DIRECTORS ADOPTING A
NEGATIVE DECLARATION FOR CONTROL TECHNIQUES GUIDELINES FOR THE
OIL AND NATURAL GAS INDUSTRY**

WHEREAS, Sections 182 (b) (2) of the federal Clean Air Act requires areas in ozone nonattainment areas to implement Reasonably Available Control Technology (RACT) for all source categories for which the U.S. Environmental Protection Agency (EPA) has published a Control Technique Guideline (CTG); and

WHEREAS, the southern portion of Sutter County (as part of the Sacramento Federal Nonattainment Area or SFNA) was designated nonattainment for the 2008 primary National Ambient Air Quality Standard (NAAQS) for 8-hour ozone, with a classification of "Severe" and an attainment date of July 20, 2027 (Federal Register, Vol 77, No. 98, pages 30088-3016, May 21, 2012); and

WHEREAS, the CTG for the Oil and Natural Gas Industry (EPA-453/B-16-001, October 2016) includes RACT for select sources of volatile organic compounds (VOC) in the onshore production and processing segments of the oil and natural gas industry; and

WHEREAS, District reviewed its permit files, the Division of Oil, Gas and Geothermal Resources website, and surveyed permit holders, and found no sources applicable to the CTG in the Sutter County portion of the SFNA; and

WHEREAS, the District staff found no sources within the Sutter Buttes nonattainment area; the District also does not anticipate any major or non-major CTG category sources in the future. Therefore, neither RACT analysis nor CTG category analysis is required the Sutter Buttes nonattainment area; and

WHEREAS, the District does not anticipate any CTG category sources in the future; if sources are identified District has committed to adopt and implement RACT; and

WHEREAS, the District published a notice of the public hearing on July 5, 2018, on the Negative Declaration for the CTG RACT Revision on the Districts website and made available at the District office located at 541 Washington Avenue, Yuba City, CA; and

WHEREAS, the FRAQMD Board of Directors held a duly noticed public hearing on August 6, 2018, in accordance with Section 110(l) of the federal Clean Air Act and considered public comments on the proposed revision to the SIP; and

WHEREAS, the California Environmental Quality Act (CEQA) under Section 15061 (b)(3) of the State CEQA Guidelines exempts projects for which it can be seen with certainty that there is no possibility that the activity in question may have a significant adverse effect on the environment; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Feather River Air Quality Management District determines that the adoption of the Negative Declaration for the Oil and Natural Gas Industry CTG is exempt from CEQA under Section 15061 (b) (3) of the State CEQA Guidelines; and

BE IT FURTHER RESOLVED that the Board of Directors hereby adopts the Negative Declaration for the Oil and Natural Gas CTG (EPA-453/B-16-001, October 2016); and

BE IT FURTHER RESOLVED that the Board of Directors directs staff to submit the Negative Declaration for the Oil and Natural Gas CTG and all necessary supporting documentation to the California Air Resources Board for submittal to the U.S. Environmental Protection Agency as a revision to the State Implementation Plan.

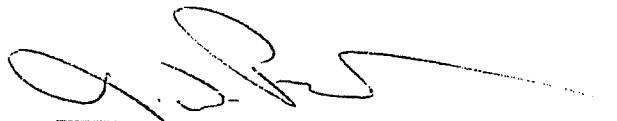
PASSED AND ADOPTED by the Feather River Air Quality Management District at its regular meeting of August 6, 2018, by the following vote:

AYES: Directors Fletcher, Bradford, Munger, Whiteaker, Conant, Chag, Sarayoa, Pendergraph, Cleveland

NOES: None

ABSENT: None

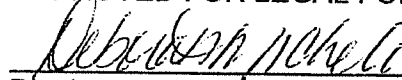
ABSTAIN: None


Chairman

ATTEST:


Clerk of the District Board

APPROVED FOR LEGAL FORM:


District Legal Counsel

AFFIDAVIT

Feather River Air Quality Management District
541 Washington Avenue, Yuba City, CA 95991

DECLARATION OF PUBLICATION (C.C.P. 2015.5)

COUNTY OF SUTTER, STATE OF CALIFORNIA

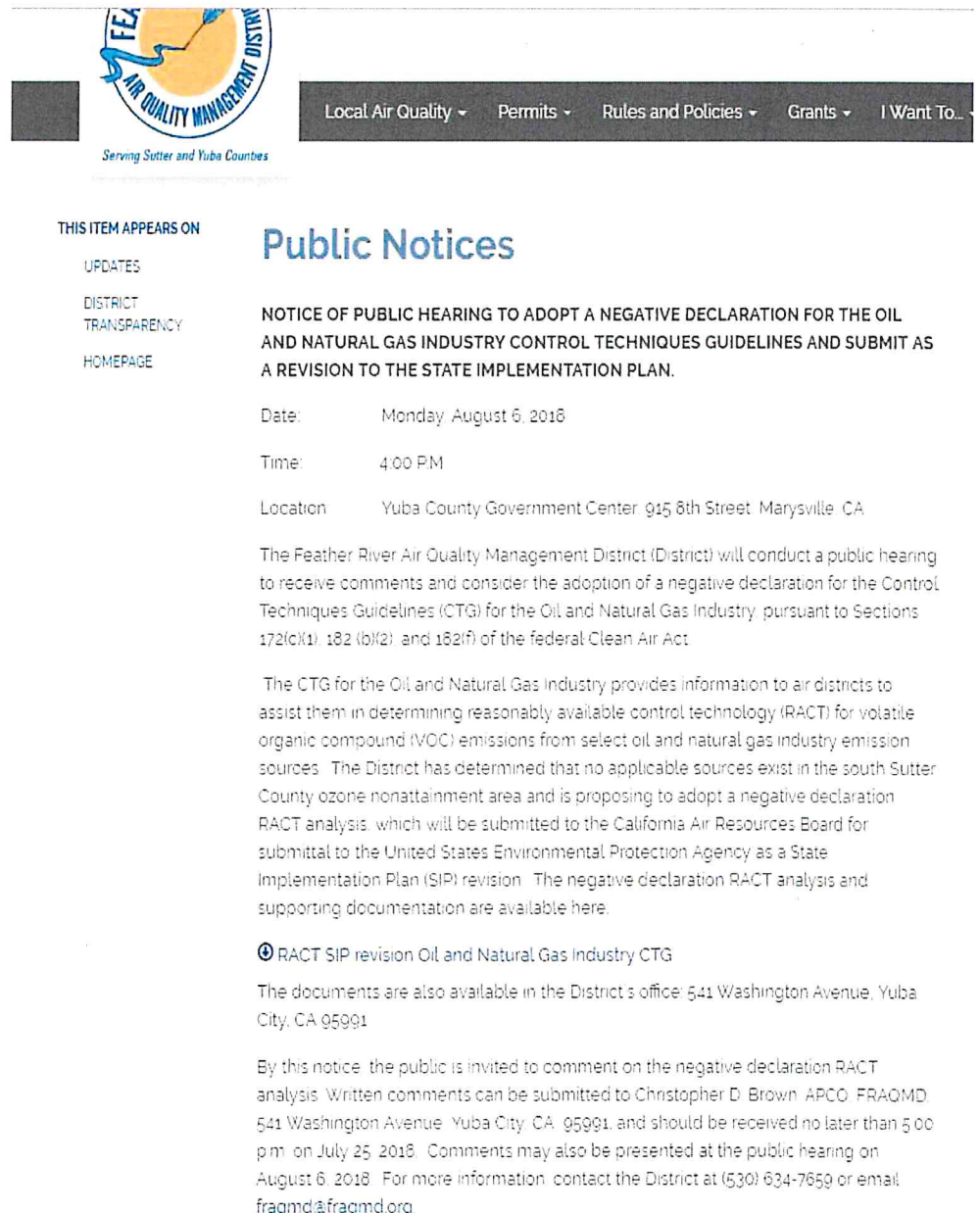
I am a resident of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the below entitled matter. I am the Fiscal Assistant employed at the Feather River Air Quality Management District.

The text below is a screen shot that was posted on the District's website: www.fraqmd.org, on July 5, 2018.

I declare under penalty of perjury under the laws of California that the foregoing is true and correct and that this declaration was executed at Yuba City, California, on July 5, 2018.



Shelley Channel
Fiscal Assistant
Feather River AQMD



The screenshot shows the website of the Feather River Air Quality Management District. At the top is the district's logo, which features a stylized feather and the text "FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT" and "Serving Sutter and Yuba Counties". Below the logo is a navigation bar with links: "Local Air Quality", "Permits", "Rules and Policies", "Grants", and "I Want To...". The main content area is titled "Public Notices" and features a notice titled "NOTICE OF PUBLIC HEARING TO ADOPT A NEGATIVE DECLARATION FOR THE OIL AND NATURAL GAS INDUSTRY CONTROL TECHNIQUES GUIDELINES AND SUBMIT AS A REVISION TO THE STATE IMPLEMENTATION PLAN." The notice includes the date (Monday August 6, 2018), time (4:00 PM), and location (Yuba County Government Center, 915 8th Street, Marysville, CA). It also provides a detailed description of the hearing and the documents available for review.

THIS ITEM APPEARS ON

- UPDATES
- DISTRICT TRANSPARENCY
- HOME PAGE

Public Notices

NOTICE OF PUBLIC HEARING TO ADOPT A NEGATIVE DECLARATION FOR THE OIL AND NATURAL GAS INDUSTRY CONTROL TECHNIQUES GUIDELINES AND SUBMIT AS A REVISION TO THE STATE IMPLEMENTATION PLAN.

Date: Monday August 6, 2018

Time: 4:00 PM

Location: Yuba County Government Center, 915 8th Street, Marysville, CA

The Feather River Air Quality Management District (District) will conduct a public hearing to receive comments and consider the adoption of a negative declaration for the Control Techniques Guidelines (CTG) for the Oil and Natural Gas Industry pursuant to Sections 172(c)(1), 182 (b)(2), and 182(f) of the federal Clean Air Act.

The CTG for the Oil and Natural Gas Industry provides information to air districts to assist them in determining reasonably available control technology (RACT) for volatile organic compound (VOC) emissions from select oil and natural gas industry emission sources. The District has determined that no applicable sources exist in the south Sutter County ozone nonattainment area and is proposing to adopt a negative declaration RACT analysis, which will be submitted to the California Air Resources Board for submittal to the United States Environmental Protection Agency as a State Implementation Plan (SIP) revision. The negative declaration RACT analysis and supporting documentation are available here.

④ RACT SIP revision Oil and Natural Gas Industry CTG

The documents are also available in the District's office: 541 Washington Avenue, Yuba City, CA 95991.

By this notice, the public is invited to comment on the negative declaration RACT analysis. Written comments can be submitted to Christopher D. Brown, APCO, FRAQMD, 541 Washington Avenue, Yuba City, CA, 95991, and should be received no later than 5:00 p.m. on July 25, 2018. Comments may also be presented at the public hearing on August 6, 2018. For more information, contact the District at (530) 634-7659 or email frqmd@frqmd.org.



Serving Sutter and Yuba Counties

541 Washington Avenue
Yuba City, CA 95991
(530) 634-7659
FAX (530) 634-7660
www.fraqmd.org

Christopher D. Brown, AICP
Air Pollution Control Officer

REASONABLY AVAILABLE CONTROL TECHNOLOGY (RACT)
STATE IMPLEMENTATION PLAN (SIP) REVISION
FOR THE SOUTH SUTTER COUNTY PORTION OF THE
SACRAMENTO METROPOLITAN NONATTAINMENT AREA FOR 8-HOUR OZONE

NEGATIVE DECLARATION FOR CONTROL
TECHNIQUES GUIDELINES FOR THE OIL AND NATURAL GAS
INDUSTRY

Staff Report

Released July 6, 2018

Public Hearing August 6, 2018

CONTENTS	
Executive Summary	2
Background	3
National Ambient Air Quality Standards for Ozone	3
The District	3
Ozone Nonattainment Areas within the District	4
Reasonably Available Control Technology Requirement	5
Previous RACT Submittals	6
2006 RACT Submittal for 1997 Ozone NAAQS	6
2009 RACT Revision	6
2014 RACT Revision	7
Oil and Natural Gas Industry CTG	8
RACT Determination	9
CTG Applicability	9
Negative Declaration	12
State Implementation Plan Submittal	12
Appendix A	1

EXECUTIVE SUMMARY

The Clean Air Act requires certain sources in ozone nonattainment areas to implement control methods called Reasonably Available Control Technology (RACT). The United States Environmental Protection Agency defines RACT as the lowest emission limitation that a particular source is capable of meeting by the application of control technology that is reasonably available considering technological and economic feasibility.

The RACT requirement is meant to ensure that moderate and above ozone nonattainment areas have in place all RACT for source categories covered by a Control Techniques Guidelines (CTG) document and for major sources of volatile organic compounds or oxides of nitrogen that are not subject to a CTG. A local Air District adopts the control methods if it has a source in its area subject to a CTG. Alternatively, the local District may declare that there are no sources in its area subject to a RACT requirement, and then the requirement to adopt a rule for those sources is no longer applicable. This is known as a “Negative Declaration.” The RACT determination and/or Negative Declaration should be submitted by each nonattainment area within two years from the effective date of the designation or as specified in the document promulgating a new CTG.

The Feather River Air Quality Management District (District) has prepared this RACT revision for sources located in the south Sutter County portion of the Sacramento Metro nonattainment area. This area was designated as severe nonattainment for the 8-hour ozone national ambient air quality standard. Previous RACT SIP revisions were adopted by the District in 2006, 2009, and 2014.

This RACT revision considers the CTG for the Oil and Natural Gas Industry adopted by the US EPA in 2016. The District evaluated the CTG for applicability in the nonattainment area and determined there are no sources in the South Sutter County portion of the Sacramento Metro ozone nonattainment area subject to the CTG.

The District has prepared a Negative Declaration for this CTG. The District also commits to adopt and implement RACT in the event that a source to which a CTG applies is identified in the nonattainment area in the future.

The Negative Declaration must be approved by the District Board of Directors, and is subject to public notice and a public hearing pursuant to Section 110(a) of the Federal Clean Air Act. Once approved, the Negative Declaration for RACT SIP will be submitted to the US EPA as a revision to the State Implementation Plan (SIP).

BACKGROUND

NATIONAL AMBIENT AIR QUALITY STANDARDS FOR OZONE

The Clean Air Act (CAA) was adopted in 1970. The legislation authorized the development of comprehensive federal and state regulations to limit emissions from stationary and mobile sources. The CAA was amended in 1977 and again in 1990. The CAA and amendments require the United States Environmental Protection Agency (US EPA) to adopt national ambient air quality standards (NAAQS) for six criteria pollutants: ozone, particulate matter, carbon monoxide, nitrogen dioxide, sulfur dioxide, and lead. US EPA formally designates areas as “nonattainment” (not meeting the standard), “unclassifiable/attainment” (meeting the standard or expected to be meeting the standard despite a lack of monitoring data), or “unclassifiable” (insufficient data to classify). The CAA requires US EPA to conduct a periodic review of the science upon which the standards are based and the standards themselves.

Ground level ozone is not emitted directly into the air, but is created by chemical reactions between oxides of nitrogen (NO_x) and volatile organic compounds (VOC) in the presence of sunlight. Ozone-related adverse health effects range from decreased lung function and increased respiratory symptoms to serious indicators of respiratory morbidity including emergency department visits and hospital admissions from respiratory causes, and possibly cardiovascular-related morbidity.

The US EPA first promulgated the NAAQS for ozone in 1971 with revisions in 1979, 1997, 2008, and 2015. The standard began as a 1-hour averaging time and later changed to an 8-hour averaging time, which was determined to be more health protective.¹ The ozone standard is attained when the fourth highest eight hour concentration in a year, averaged over three years, is equal to or less than the standard.

THE DISTRICT

The Feather River Air Quality Management District (District) encompasses all of Sutter and Yuba counties. The District was formed in 1991 when the two county air districts unified. The District is located in Northern California in the Sacramento Valley Air Basin and has a

¹ History of Ozone Standard <https://www.epa.gov/ozone-pollution/table-historical-ozone-national-ambient-air-quality-standards-naaqs>.

population of approximately 173,000² and a land area of 1233 square miles. The majority of land in Sutter County is agricultural and used for growing crops or livestock. There are two cities: Yuba City and Live Oak. Yuba County lies along the western slope of the Sierra Nevada mountain ranges and includes portions of the Plumas National Forest and Tahoe National Forest. The valley floor is agricultural with two cities: Marysville and Wheatland. The climate of the District is typically cool, mild winters and hot, dry summers, with about 85% of the annual rainfall falling between October and April.

OZONE NONATTAINMENT AREAS WITHIN THE DISTRICT

The southern portion of Sutter County was designated nonattainment for the 1997, 2008, and 2015 8-hour ozone NAAQS (effective August 3, 2018³). It is part of the Sacramento Metro, CA nonattainment area and was classified as a "severe" nonattainment area⁴ under the 1997 and 2008 standards, and a "moderate" nonattainment area under the 2015 standard. The Sutter Buttes were designated marginal nonattainment for the 1997 and 2015 standards. The remaining portions of the District (northern Sutter County and Yuba County) were designated attainment for the 1997, 2008, and 2015 standards.

As described in the Federal Register⁵ the south Sutter County part of the Sacramento Metro nonattainment area is the "Portion south of a line connecting the northern border of Yolo County to the SW tip of Yuba County and continuing along the southern Yuba County border to Placer County."

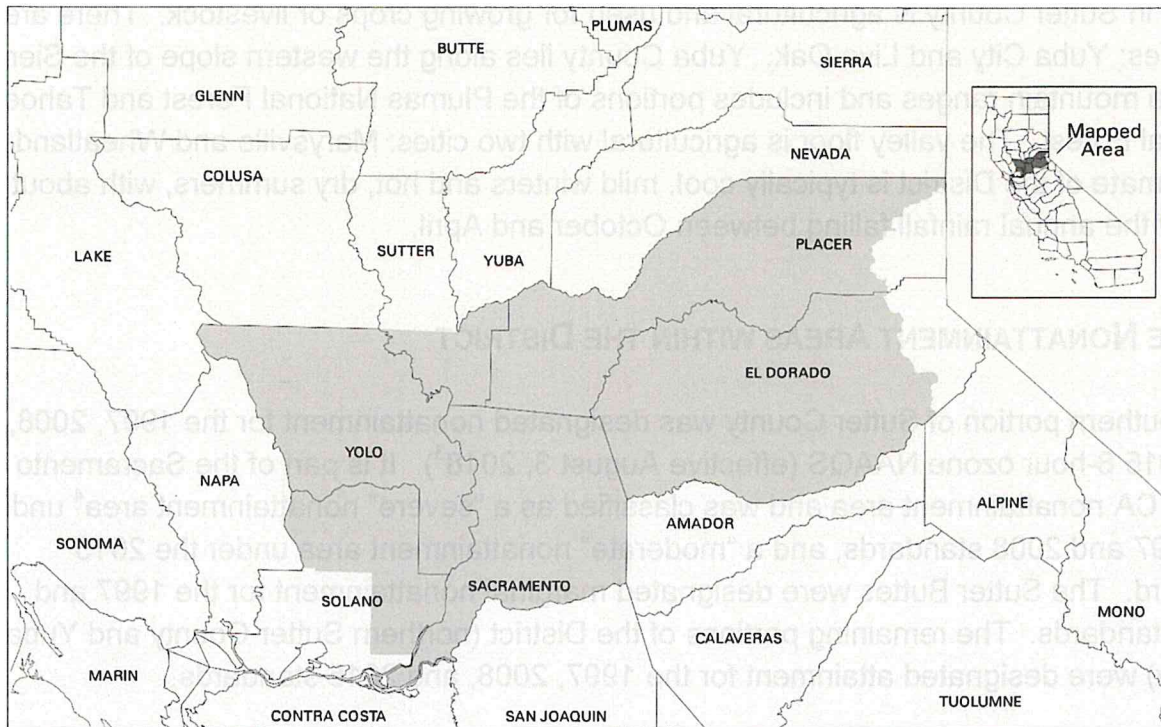
² US Census Bureau <https://www.census.gov/programs-surveys/popest/data/tables.html> June 26 2018.

³ Additional Air Quality Designations for the 2015 Ozone National Ambient Air Quality Standards 83 FR 25776 June 4, 2018, <https://www.epa.gov/ozone-designations/additional-designations-2015-ozone-standards>.

⁴ Air Quality Designations for the 2008 Ozone National Ambient Air Quality Standards, 77 FR 30088-30160, May 21, 2012, <https://www.gpo.gov/fdsys/pkg/FR-2012-05-21/pdf/2012-11618.pdf>.

⁵ 77 FR 30088, 30105, May 21, 2012.

Figure 1: Map of Sacramento Metro nonattainment area for ozone



REASONABLY AVAILABLE CONTROL TECHNOLOGY REQUIREMENT

Section 172(c)(1) of the Clean Air Act (CAA) requires certain sources in ozone nonattainment areas to implement control methods called reasonably available control technology (RACT). The US EPA defines RACT as the lowest emission limitation that a particular source is capable of meeting by the application of control technology (i.e., devices, systems, process modification, or other apparatus or techniques that reduce air pollution) that is reasonably available considering technological and economic feasibility. The RACT requirement is meant to ensure that all moderate and above ozone nonattainment areas have in place all RACT for source categories covered by a Control Techniques Guidelines (CTG) document and for major sources⁶ of VOC or NO_x that are not subject to a CTG.

Sections 182(b)(2) and 182(f) of the CAA requires a revision to the State Implementation Plan (SIP) to implement RACT for each category of VOC sources in the ozone nonattainment areas covered by a CTG document and for any major stationary source of

⁶ The definition of a *major source* is dependent on the severity of the air quality problem in a region. For the south Sutter portion of the Feather River Air Quality Management District, a severe ozone nonattainment area, the major source threshold is the potential to emit at least 25 tons per year of VOC or NO_x.

VOC or NOx not covered by a CTG document. A District adopts the control methods if it has a source in its area subject to a CTG.

Alternatively, the District may declare that there are no sources in its area subject to a RACT requirement because it has no sources above the CTG's recommended applicability threshold, and then the requirement to adopt a rule for those sources is no longer applicable. This is known as a "Negative Declaration."

The Negative Declaration is subject to the public notice and hearing requirements of Section 110(a) of the CAA.

PREVIOUS RACT SUBMITTALS

2006 RACT SUBMITTAL FOR 1997 OZONE NAAQS

As part of the Sacramento Metro ozone nonattainment area for the 1997 ozone NAAQS, the District prepared a RACT Analysis for inclusion in the SIP for the CTGs issued prior to 2006 in accordance with 40 CFR 51.912. The RACT Analysis was adopted by the District's Board of Directors at the December 4, 2006 meeting.

The 2006 RACT Analysis included negative declarations for major sources in the nonattainment area and CTG source category analysis for the south Sutter County portion of the nonattainment area. The District identified one source category during the 2006 RACT Analysis that was applicable to a CTG. The District received comments from US EPA that District Rule 3.8 Storage and Transfer of Gasoline was less stringent than US EPA's CTG. In response, the District amended Rule 3.8 on June 2, 2014. The amended rule was submitted to CARB on June 27, 2014, for their transmission to the US EPA for inclusion in the SIP.

2009 RACT REVISION

Between 2006 and 2008 the US EPA issued 11 new CTG's. The District staff evaluated the new CTGs and determined that there were no applicable sources within the south Sutter County portion of the ozone nonattainment area. The source with the largest potential to emit (PTE) was a facility that repairs and paints off-road mobile equipment and agricultural implements. As discussed in the 2009 update to the RACT Analysis, the facility is subject to and permitted under District Rule 3.19 Vehicle and Mobile Equipment Coating

Operations⁷, which is consistent with the national VOC rules.⁸ Therefore, the District determined that the Miscellaneous Metal Parts CTG (EPA 453/R-08-003 2008/09) does not apply to this source. This facility also used solvents, but at a level below the applicability threshold CTG for industrial cleaning solvents (EPA-453/R-06-001, 2006/09).

The 2009 RACT revision identified a second source that used industrial cleaning solvents. This was an automotive repair facility and which was permitted to use 10 gallons per year of solvents, well below the 2006 Industrial Cleaning Solvents CTG applicability threshold of 15 lbs/day.

The District Board of Directors adopted the negative declaration on June 1, 2009, and it was submitted to the US EPA by CARB on October 27, 2009.

2014 RACT REVISION

The 2014 RACT revision was prepared pursuant to the 2008 revision of the 8-hour ozone NAAQS. The District determined that there were no facilities operating in the south Sutter County portion of the District that fall under a source category with RACT guidance except gasoline service stations. The District adopted Negative Declarations for all CTG's listed in Appendix C except for Design Criteria for Stage I Vapor Control Systems – Gasoline Service Stations (EPA-450/R-75-102 1975/11). The District's Rule 3.8 was revised to incorporate the provisions of the Design Criteria for Stage I Vapor Control Systems as submitted to US EPA in 2014.

All three previous RACT revisions and amendments to Rule 3.8 were approved by US EPA as a direct final action published on July 8, 2015, effective September 8, 2015⁹.

⁷ Rule 3.19 was amended August 1, 2011, and submitted to US EPA for SIP approval on February 10, 2014, and approved into the SIP in 80 FR 33195 dated June 11, 2015, <https://www.gpo.gov/fdsys/pkg/FR-2015-06-11/pdf/2015-14079.pdf>.

⁸ National Volatile Organic Compound Emission Standards (40 CFR Part 59).

⁹ Revisions to the California State Implementation Plan, Feather River Air Quality Management District 80 FR 38959 July 8, 2015, <https://www.gpo.gov/fdsys/pkg/FR-2015-07-08/pdf/2015-16627.pdf>.

OIL AND NATURAL GAS INDUSTRY CTG

The CTG (Control Techniques Guidelines for the Oil and Natural Gas Industry, EPA-453/B-16-001, October 2016) covers select sources of VOC emissions in the onshore production and processing segments of the oil and natural gas industry (i.e., pneumatic controllers, pneumatic pumps, compressors, equipment leaks, fugitive emissions) and storage vessel VOC emissions in all segments (except distribution) of the oil and natural gas industry. The CTG provides recommendations to inform air agencies as to what constitutes RACT for selection oil and natural gas industry emission sources. A summary of the recommended RACT is included in Appendix A.

There have been several federal and state actions to reduce VOC emissions from certain emission sources in the oil and natural gas industry, including New Source Performance Standards (NSPS) published in 40 CFR 60 and a previous CTG issued in 1983.

The oil and natural gas industry includes oil and natural gas operations involved in the extraction and production of crude oil and natural gas, as well as the processing, transmission, storage, and distribution of natural gas. For the purposes of the CTG, the oil and natural gas operations were separated into four segments: (1) oil and natural gas production, (2) natural gas processing, (3) natural gas transmission and storage, and (4) natural gas distribution.

Production operations include the wells and all related processes used in the extraction, production, recovery, lifting, stabilization, and separation or treating of oil and/or natural gas (including condensate). Natural gas processing operations separate and recover natural gas liquids or other non-methane gases and liquids from a stream of produced natural gas through components performing one or more of the following processes: oil and condensate separation, water removal, separation of natural gas liquids, sulfur and Carbon Dioxide (CO₂) removal, fractionation of natural gas liquid, and other processes such as the capture of CO₂ separated from natural gas streams for delivery outside the facility. Once it's processed to produce "pipeline quality" dry natural gas, it leaves the processing segment and enters the transmission and storage segment. Pipelines in the natural gas transmission and storage segment can be interstate pipelines that carry natural gas across state boundaries or intrastate pipelines which transport the gas within a single state. To ensure that the natural gas flowing through any pipeline remains pressurized, compression of the gas is required periodically along the pipeline by compressor stations. At a compressor station, the natural gas enters the station, where it is compressed by reciprocating or centrifugal compressors. In addition to the pipelines and compressor stations, the natural gas transmission and storage segment includes aboveground and underground storage facilities. The distribution segment is the final step in delivering

natural gas to customers, and consists of thousands of miles of piping, metering stations, and sometimes compressor stations.

Emissions can occur from a variety of processes and points throughout the oil and natural gas industry. Primarily, these emissions are organic compounds such as methane, ethane, VOC, and organic hazardous air pollutants (HAP).

Section 182(b)(2) of the CAA requires that a CTG document issued between November 15, 1990, and the date of attainment include the date by which states subject to CAA section 182(b) must submit SIP revisions. The US EPA has set a 2-year period, from the effective date of publication of the notice of availability of this CTG in the Federal Register¹⁰ for the required SIP submittal.

On March 9, 2018 (83 FR 10478)¹¹, the US EPA published a Notice of Proposed Withdrawal of the Control Techniques Guidelines for the Oil and Natural Gas Industry. The Federal Register notice requested public comment on a potential withdrawal of the Oil and Gas CTG. It is our understanding that the US EPA is currently reviewing submitted public comments.

RACT DETERMINATION

CTG APPLICABILITY

The District performed the following steps to determine if any sources applicable to the CTG were located in the south Sutter County ozone nonattainment area:

- District internal database of permitted stationary sources.
- Division of Oil, Gas & Geothermal Resources Well Finder website search.
- Written correspondence with current permit holders for natural gas production facilities.

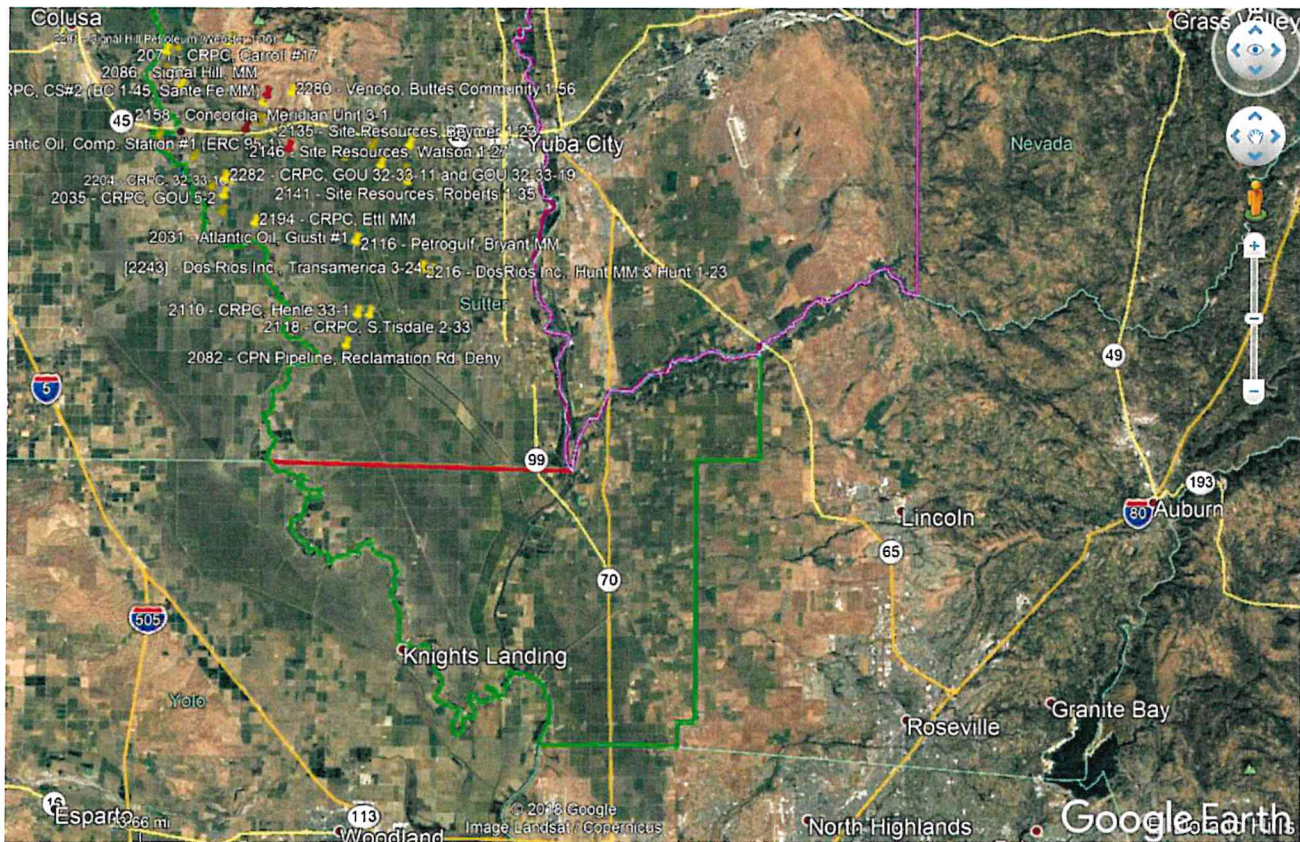
The District has 36 facilities currently under permit for natural gas production and none for oil production. There are no natural gas production operations occurring in the south Sutter County ozone nonattainment area. As shown in Figure 2 below, the operating natural gas

¹⁰ 81 FR 74798, October 27, 2016, <https://www.gpo.gov/fdsys/pkg/FR-2016-10-27/pdf/2016-25923.pdf>.

¹¹ 83 FR 10478, March 9, 2018, <https://www.gpo.gov/fdsys/pkg/FR-2018-03-09/pdf/2018-04703.pdf>.

production facilities (2xxx) are all located north of the ozone nonattainment boundary line (depicted in red).

Figure 2: Current Natural Gas Production Facilities in FRAQMD



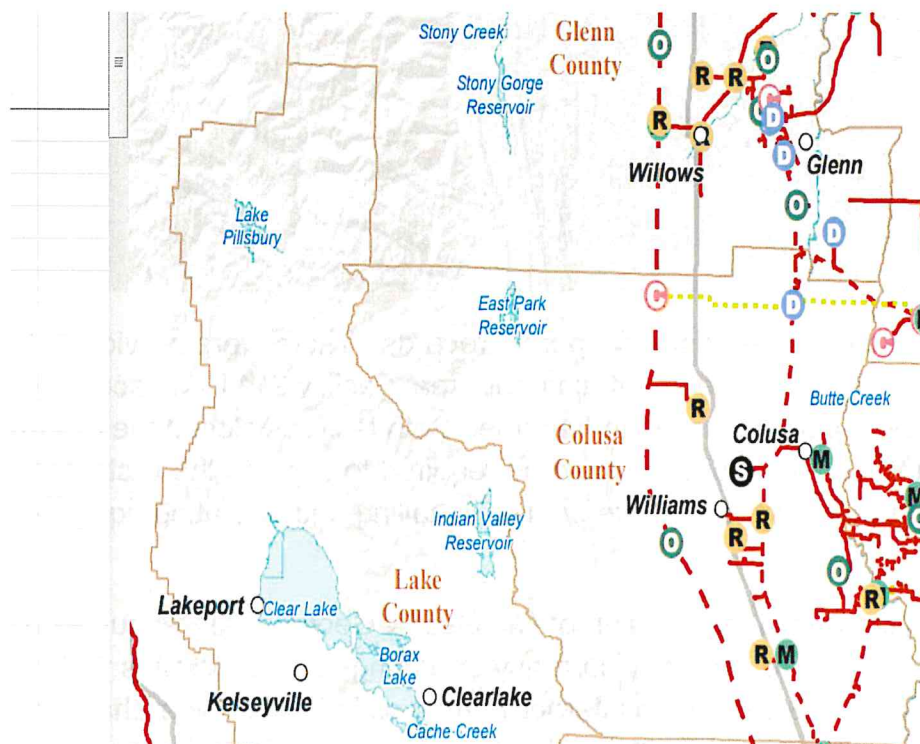
The District staff also reviewed historical permit records. There were previously two natural gas production sites in the ozone nonattainment area: Facility 2111 Wallace and Facility 2113 Fulan 1-17, both permits issued to Ivanhoe. Both facilities closed their Permits to Operate in March 2008. The facilities would be required to apply to the District for a new Authority to Construct/Permit to Operate prior to installing and operating equipment at the former sites.

The District staff also utilized the Division of Oil, Gas, & Geothermal Resources (DOGGR) website to determine if there were any currently operating production sites that were not under District permit. DOGGR has an interactive map called Well Finder that shows the wells. The District staff reviewed each site listed on the DOGGR map in the nonattainment area and confirmed there are no currently operating natural gas production wells in south Sutter County.

The District also sent out an information request to natural gas site permit holders. The request asked the permit holders to identify any emission sources within the nonattainment area and whether they had RACT installed. Two companies responded to the original information request and neither had sources in the nonattainment area. The District staff called the remaining companies and was told that they did not respond because they had no emission sources within the nonattainment area and all of the sources in the attainment area already met RACT.

There also are no pre-distribution processes involving storage tanks or vessels in the area. All oil and natural gas industry activity in the nonattainment area is part of the distribution process. All of the nonattainment area's piped natural gas is supplied by the Pacific Gas and Electric Company (PG&E). This information was confirmed in June 2018 by telephone correspondence with PG&E Representative Gary Ma. Figure 3 below is a close up of the map provided by the Energy Commission on Natural Gas Pipelines available at http://www.energy.ca.gov/maps/infrastructure/natural_gas.html. Also, there are no places where rail tank cars are loaded or unloaded, and no ports.

Figure 3: Natural Gas Pipelines and Stations In South Sutter County



NEGATIVE DECLARATION

The District staff have reviewed the CTG for the Oil and Natural Gas Industry, all permitted sources, all DOGGR well sites, and contacted permit holders outside the nonattainment area, and have concluded that there are no applicable sources subject to the CTG.

The District further commits to adopt and implement, consistent with legal requirements, the recommendations of the CTG should any source begin operations in the nonattainment area.

STATE IMPLEMENTATION PLAN SUBMITTAL

The District shall make this Negative Declaration RACT revision available for public comment beginning July 6, 2018. The District shall hold a public hearing on August 6, 2018, at which time the District Board of Directors may adopt the RACT Analysis and direct staff to forward it to the CARB and to the US EPA as a SIP revision.

Appendices

Appendix A: Summary of the Oil and Natural Gas Industry Emission Sources and Recommended RACT Included in the CTG

APPENDIX A

Summary of the Oil and Natural Gas Industry Emission Sources and Recommended RACT Included in the CTG		
Emission Source	Applicability	RACT Recommendation
Storage Vessels	Individual storage vessel with a potential to emit (PTE) greater than or equal to 6 tpy VOC.	95 percent reduction of VOC emissions from storage vessels, OR Maintain less than 4 tpy uncontrolled actual VOC emissions after having demonstrated that the uncontrolled actual VOC emissions have remained less than 4 tpy, as determined monthly, for 12 consecutive months.
Pneumatic Controllers	Individual continuous bleed, natural gas-driven pneumatic controller located at a natural gas processing plant.	Natural gas bleed rate of 0 scfh (unless there are functional needs including, but not limited to, response time, safety and positive actuation, requiring a bleed rate greater than 0 scfh).
	Individual continuous bleed natural gas-driven pneumatic controller located from the wellhead to the natural gas processing plant or point of custody transfer to an oil pipeline.	Natural gas bleed rate less than or equal to 6 scfh (unless there are functional needs including, but not limited to, response time, safety and positive actuation, requiring a bleed rate greater than 6 scfh).
Pneumatic Pumps	Individual natural gas-driven diaphragm pump located at a natural gas processing plant.	Zero VOC emissions.
	Individual natural gas-driven diaphragm pump located at a well site.	Require routing of VOC emissions from the pneumatic pump to an existing onsite control device or process.
		Require 95 percent control unless the onsite existing control device or process cannot achieve 95 percent.
		If onsite existing device or process cannot achieve 95 percent, maintain documentation demonstrating the percent reduction the control device is designed to achieve.
		If there is no existing control device at the location of the pneumatic pump, maintain records that there is no existing control device onsite.
	Individual natural gas-driven diaphragm pump located at a well site that is in operation for any period of time each calendar day for less than a total of 90 days per calendar year.	RACT would not apply.

Compressors (Centrifugal and Reciprocating)	Individual reciprocating compressor located between the wellhead and point of custody transfer to the natural gas transmission and storage segment.	Reduce VOC emissions by replacing reciprocating compressor rod packing on or before 26,000 hours of operation or 36 months since the most recent rod packing replacement. Alternatively, route rod packing emissions to a process through a closed vent system under negative pressure.
	Individual reciprocating compressor located at a well site, or an adjacent well site and servicing more than one well site.	RACT would not apply.
	Individual centrifugal compressor using wet seals that is located between the wellhead and point of custody transfer to the natural gas transmission and storage segment.	Reduce VOC emissions from each centrifugal compressor wet seal fluid gassing system by 95 percent.
	Individual centrifugal compressor using wet seals located at a well site, or an adjacent well site and servicing more than one well site	RACT would not apply.
	Individual centrifugal compressor using dry seals.	RACT would not apply.
Equipment Leaks	Equipment components in VOC service located at a natural gas processing plant.	Implement the 40 CFR part 60, subpart VVa leak detection and repair (LDAR) program for natural gas processing plants.
Fugitive Emissions	Individual well site with wells with a gas to oil ratio (GOR) greater than or equal to 300, that produce, on average, greater than 15 barrel equivalents per well per day.	Develop and implement a semiannual optical gas imaging (OGI) monitoring and repair plan that covers the collection of fugitive emissions components at well sites within a company defined area. Method 21 can be used as an alternative to OGI at a 500 ppm repair threshold level.
	Individual gathering and boosting station located from the wellhead to the point of custody transfer to the natural gas transmission and storage segment or point of custody transfer to an oil pipeline.	Develop and implement a quarterly OGI monitoring and repair plan that covers the collection of fugitive emissions components at gathering and boosting stations within a company defined area. Method 21 can be used as an alternative to OGI at a 500 ppm repair threshold.
	Individual well site with a GOR less than 300.	RACT would not apply.